

Caring for an Aging Parent

Understanding financial issues you may face

Caregiving is expensive. Not only out-of-pocket costs paid for by the caregiver, but a more substantial cost is the time a caregiver spends out of the workforce.

Leaving the Workforce

Leaving the workforce can have a significant impact on your paycheck and it can also impact the vesting service toward your pension plan and employer contributions to your 401(k). Fewer years in the workforce may result in a lower Social Security benefit as well.

Prior to leaving the workforce, review employee benefits and develop a strategy surrounding what benefits are essential and which you may be able to do without. Replacing health, dental and life insurance is expensive. Check with your employer regarding any assistance programs that may be available.

Possible Public Benefits

Public benefits are available to many seniors. While many benefits may be means tested, others are offered free of charge. Eldercare locator (a free public service provided by the U.S. Administration on Aging) can be a good place to start when researching programs available in your area. (Visit eldercare.acl.gov/Public/Index.aspx for more information.)

Understanding and Executing Your Parent's Wishes

Discussing financial and medical wishes with a parent is best while they are well and able to make such decisions for themselves. Waiting is never a good option. Seek qualified legal advice to help determine what legal tools are needed. These may include documents such as: a durable power of attorney, an advance directive, a will, or a living trust. Keep these documents as well as insurance and banking information, investment information, and property deeds in an accessible secure location.

Home Care vs. Residential Care

Finally, consider both the personal and financial aspects of providing home versus residential care. Aging in place has been a preferred option for many seniors and is becoming more common as the number of low-cost services providing in home care increases. If more hands-on, round-the-clock care is needed, there are a variety of senior living communities available.

To learn about services provided by the State of Utah, see <https://daas.utah.gov/seniors>.

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